

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
SPECIAL CIVIL APPLICATION No. 15526 of 2005

For Approval and Signature:

HONOURABLE MR.JUSTICE AKIL KURESHI

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1 Whether Reporters of Local Papers may
be allowed to see the judgment ?

2 To be referred to the Reporter or not
?

3 Whether their Lordships wish to see
the fair copy of the judgment ?

Whether this case involves a
substantial question of law as to the
4 interpretation of the constitution of
India, 1950 or any order made
thereunder ?

5 Whether it is to be circulated to the
civil judge ?

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GIRISH RAMNIKLAL KANAIYA - Petitioner(s)

Versus

GUJARAT MARITIME BOARD - Respondent(s)

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Appearance :

MR SP MAJMUDAR for Petitioner(s) : 1,
MS SEJAL K MANDAVIA for Respondent(s) : 1,

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CORAM : HONOURABLE MR.JUSTICE AKIL KURESHI

Date : 01/09/2006

ORAL JUDGMENT

1. The petitioner a retired employee of the Gujarat Maritime Board has filed this petition seeking interest on the delayed payment of retiral dues. Though at the time of filing of the petition, the petitioner has prayed for releasing remaining retiral dues, at present there is no dispute that all the dues of the petitioner have been paid.

2. Short question requires to be answered in this petition is with respect to the claim of the petitioner to seek interest on delayed payments.

3. The petitioner retired on voluntary retirement basis w.e.f. 31st January, 2004. Though ex-gratia amounts payable to the petitioner under the VRS scheme was released shortly thereafter, the petitioner was not paid pension. Obviously, his commutation of pension was also delayed. He was also not paid gratuity immediately.

4. From the statement made by the petitioner at page 49 of the compilation, it can be seen that

pension was paid to the petitioner for the first time in January, 2005 when arrears of pension of Rs.60,891/- was released. It appears that commuted value of pension of Rs.1,83,536/- was paid to the petitioner on 4th May, 2005. Gratuity amount of Rs.1,70,213/- was paid on 23rd May, 2005. The petitioner claims interest on the said delayed payments. Apparently, there is no undue delay in releasing the ex-gratia payments or leave encashment in favour of the petitioner. So far as the commuted value of pension is concerned also since the petitioner would have received full component of the pension periodically at the relevant time, granting of interest is not found justified.

5. Claim of the petitioner for interest on late release of arrears of pension and gratuity payment however requires consideration.

6. As noted earlier for one full year after retirement no pension was paid to the petitioner. For the first time a lump-sum of Rs.60,891/- was released as arrears pension on 3rd January, 2006.

This comprises of the periodical pension due and payable to the petitioner from February, 2004 till December, 2004. This amount shall carry simple interest of 8% p.a. from the date the pension fell due and payable till actual payment.

7. Gratuity of an amount of Rs.1,70,213/-, was paid on 23rd May, 2005. This amount shall also carry simple interest of 8% p.a. from the date of the retirement of the petitioner till actual payment.

8. Though the respondent has contended through the learned advocate that there were certain recoveries to be made from the petitioner, I find that in response to the notice issued by the respondents, the petitioner while still in service on 18th December, 2003 had conveyed to the authorities that if there is any over-payment made, the same may be recovered. Solely on this ground, therefore, respondent cannot escape the liability to pay interest on delayed payment.

9. In the result, the petition is disposed of by

directing the respondent to pay the interest as mentioned herein above which shall be done within two months from the date of receipt of a copy of this order.

10. With these directions, the petition is disposed of. Rule is made absolute to the above limited extent. No costs.

Direct service is permitted.

(Akil Kureshi, J.)

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